# From Welfare to Work and Economic Self-Sufficiency:

# A Baseline Evaluation of the Los Angeles County CalWORKs Program

Urban Research Division Chief Administrative Office County of Los Angeles

# **Urban Research Division CalWORKs Evaluation Project Team**

Manuel Moreno, Ph.D., Co-Director John Hedderson, Ph.D., Co-Director Michael Lichter, M.A., Senior Research Analyst Elizabeth González, M.A., Support Research Analyst Jeff Henderson, M.U.P., Support Research Analyst

# **TABLE OF CONTENTS**

Executive Summary
Introduction 1
Principal Findings
Conclusions 3
CalWORKs Evaluation Advisory Group
Introduction 5
Background 5
Welfare Reform Legislation 5
Evaluating CalWORKs 6
Findings
GAIN Activities April 1998 to August 1998
The April 1998 Cohort
<b>Discussion</b>
Future Plans 10
Appendix A: CalWORKs Evaluation Advisory Committee Members

## LIST OF CHARTS AND TABLES

Chart 1.	Unemployment and AFDC/CalWORKs Recipients Los Angeles County, 1989-1998	12
Chart 2.	Percent of AFDC/CalWORKs Cases with Earned Income, Los Angeles County, 1996-1998	13
Chart 3.	GAIN Participants Entering Employment Monthly Los Angeles County, 1996-1998	14
Chart 4.	GAIN Participants Sanctioned Monthly Los Angeles County, 1996-1998	15
Chart 5.	Hours Worked by GAIN April 1998 Cohort Los Angeles County, 1998	16
Chart 6.	Children in Poverty and Children in AFDC/CalWORKs Families, Los Angeles County, 1990-1998	17
Table 1.	GAIN Participants Entering Employment, Los Angeles County, 1996-1998	18
Table 2.	Characteristics of Remaining GAIN Participants, April 1998 Cohort, Los Angeles County, April-August 1998	19
Table 3.	Employment Characteristics of April 1998 Cohort GAIN Participants, Los Angeles County, April-August 1998	20
Table 4.	Participation Characteristics of GAIN April 1998 Cohort Los Angeles County, April-August 1998	21

#### **EXECUTIVE SUMMARY**

#### Introduction

In this report, we present a preliminary analysis of the performance of CalWORKs¹ in Los Angeles County. We are especially interested in how well the GAIN² program moves families from welfare to employment and economic self-sufficiency. Although our work at this time is based on administrative records, we are beginning surveys and focus groups that will enable us to report on barriers to employment, support services and job satisfaction. In the first quarter of 1999, we will report on the best practices and obstacles to the success of CalWORKs. In the second quarter of 1999, we will address the broader impacts of CalWORKs on participants, their families and their communities. Although this first report is based on limited data, it provides important initial findings to be used as baseline statistics in later evaluations.

# **Principal Findings**

- Following unemployment trends, the AFDC/CalWORKs caseload reached an alltime peak in March 1995 and has declined steadily since then, dropping by 23% as of August 1998 (see Chart 1, p. 12).
- The percentage of AFDC/CalWORKs cases with earned income has increased steadily from 16% in January 1996 to 31% in August 1998 (see Chart 2, p. 13).
- After increasing sharply for several years, the number of GAIN participants entering
  employment monthly has been relatively flat over the last eighteen months (see
  Chart 3, p. 14 and Table 1, p. 18). The task of moving families from welfare to selfsufficiency tends to become more difficult as the caseload declines. As those with
  stronger employment skills and more work history move into the economy, the

<sup>&</sup>lt;sup>1</sup> The welfare reform of income assistance to needy families termed CalWORKs (California Work Opportunity and Responsibility To Kids) was implemented in Los Angeles County in April 1998 to comply with California's Welfare to Work Act of 1997.

<sup>&</sup>lt;sup>2</sup> GAIN (Greater Avenues for Independence), the County's core employment program for participants with a work requirement, has been operating since 1988 in Los Angeles County.

families left on aid tend to be longer-term recipients with fewer employment skills and more barriers to employment. During the last three years, the proportion of long-term cases on aid for more than five years has almost doubled from 21% to 40%.

- Since implementation of welfare-to-work in April 1998, the number of persons sanctioned<sup>3</sup> monthly for non-compliance with GAIN work requirements ranged from a low of 1,633 in April to a high of 2,320 in August (see Chart 4, p. 15). This 42% increase is less than the 68% increase in the GAIN caseload.
- The average hourly wage for GAIN participants finding jobs in August 1998 was \$6.48, somewhat above the California minimum wage of \$5.75.

To go beyond summary statistics of program activity to the experiences of individuals over time, we followed a new group or "cohort" of entries for five months. Starting with "fresh" entries to GAIN in April 1998,<sup>4</sup> we tracked their participation through August 1998. There were 5,469 participants in this April cohort.

Of the 5,469 persons in this April cohort, 3,119 (57%) were no longer participants by the end of August (see Chart 5, p. 16 and Table 2, p. 19).<sup>5</sup> Of the 3,119 leaving GAIN, 873 (28%) had also left CalWORKs,<sup>6</sup> and 2,246 (72%) were in families still receiving CalWORKs cash assistance. Of the 2,246 who were in families still receiving CalWORKs cash assistance, 957 (43%) were in families that also had earned income, 909 (41%) were exempt from work requirements,<sup>7</sup> and 559 (25%) were sanctioned.<sup>8</sup>

<sup>&</sup>lt;sup>3</sup> Imposition of a sanction results in the elimination of the adult share of CalWORKs cash aid; the child portion of the aid is unaffected by the sanction. For a typical CalWORKs household of 1 adult and 2 children, imposition of a sanction reduces the monthly grant by \$118 (from \$611 to \$493).

<sup>&</sup>lt;sup>4</sup> These are participants who have never before been registered in GAIN or have not been registered in GAIN during the preceding six months.

<sup>&</sup>lt;sup>5</sup> The administrative record analyses of this report cannot adequately address the reasons for the loss of participants. We are currently beginning surveys and focus groups which will provide data to address this issue in our July 1999 report.

<sup>&</sup>lt;sup>6</sup> Unfortunately we have no more details about those who have left CalWORKs. Once a person has left CalWORKs, DPSS no longer collects information about them. We are initiating surveys to study persons who have left CalWORKs.

<sup>&</sup>lt;sup>7</sup> Most adults who are aided through CalWORKs and who are not employed for the required number of hours must participate in GAIN. Many adults, however, are exempted from GAIN/employment requirements for a variety of reasons. Single mothers of children under six months old, for instance, are

Of the 2,350 participants still in the GAIN program at the end of August 1998, 51% were employed full time.<sup>9</sup> The average monthly earnings of employed members of the April cohort in GAIN rose from \$748 to \$932 between April and August 1998. This increase was partly from higher wages and partly from more hours worked per month (see Table 3, p. 20).

Although the cohort analysis only includes 5 months of data at this time, we believe it adds an important dimension to our evaluation. In the future, we will continue to follow the April cohort and add new cohorts to the evaluation.

#### Conclusions

- After increasing for six years, the number of AFDC/CalWORKs cases in Los Angeles County has been decreasing since March 1995. The proportion of cases with earned income has risen steadily since 1996.<sup>10</sup> Labor market conditions in the region appear to have contributed to these trends. Although hourly wages for participants are increasing, it is too early in the program to estimate what proportion will eventually attain economic self-sufficiency.
- Our analysis of persons entering GAIN in April 1998 indicates that half were no longer in the program by the end of August. Of these persons no longer in GAIN, 72 percent were in families still receiving CalWORKs cash assistance. For those who remained in GAIN, however, slightly more than half were employed full time and wages were increasing.

exempt, as are parents over age 60. See Table 4, p. 21.

<sup>8</sup> The sum of these percentages exceed 100% because persons may be in more than one of the above categories; for example, some may be exempt and also have earned income.

<sup>&</sup>lt;sup>9</sup> By "full time" we mean meeting the state-mandated employment standards for the program: single parents working at least 32 hours per week; two-parent households working at least a combined 35 hours per week.

<sup>&</sup>lt;sup>10</sup> Current administrative records do not follow cases that have been terminated, and thus do not allow us to draw any conclusions about the relationship between the shrinking CalWORKs caseload and the increasing proportion of cases with earned income. We are currently planning to survey participants who have left CalWORKs and will be able to address this issue in the future.

# **CalWORKs Evaluation Advisory Group**

A CalWORKs Evaluation Advisory Group was established to provide expert and technical advice on this project. An earlier draft of this report was distributed to members of the CalWORKs Advisory Group requesting comments (see Appendix A, p. 22 for a list of members).

# From Welfare to Work and Economic Self Sufficiency: A Baseline Evaluation of the Los Angeles County CalWORKs Program

#### Introduction

This report is a first evaluation of the Los Angeles County CalWORKs program implemented April 1, 1998. This initial look at the CalWORKs program seeks to establish baseline measures of the rates at which participants are moving from welfare to work. We focus, therefore, on GAIN (Greater Avenues for Independence) which is a program for participants with a work requirement. In March 1999 we will present a report from a survey we are currently conducting of participants and staff of the best practices and obstacles to the success of CalWORKs. In June 1999 we will present a report discussing the broader impacts of CalWORKs on participants, their families and their communities.

# **Background**

#### Welfare Reform Legislation

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) revamped the nation's program of cash assistance to eligible poor families with children. Welfare reform replaced AFDC (Aid to Families with Dependent Children) with TANF (Temporary Assistance to Needy Families) block grants to the states and ended the entitlement of poor families with children to assistance. Federal welfare reform legislation introduced strict work requirements and imposed a 5-year lifetime limit on receiving TANF assistance. Following the devolution of programs to states and changes in Federal law, the State of California enacted the Welfare-to-Work Act of 1997 (AB 1542), creating the California Work Opportunity and Responsibility to Kids (CalWORKs) program in 1997. AB 1542 departs somewhat from federal legislation by providing assistance for children only, beyond the five year federal limit. Consistent with the provisions of welfare reform legislation enacted by California through AB 1542, Los Angeles County replaced the old AFDC program with CalWORKs.

In response to state mandated requirements of the Welfare-to-Work Act of 1997, the Los Angeles County Board of Supervisors adopted the Department of Public Social Services' (DPSS) plans to implement the CalWORKs program in the County.<sup>11</sup> The overall goal of

<sup>11</sup> The DPSS plan for the County is based on a broad collaboration between the County, related

the Los Angeles County CalWORKs program is to improve the quality of life of children and families by assisting adults to become economically self-sufficient. To achieve this goal, the County's CalWORKs program has focused on (1) helping participants to secure employment, (2) helping participants to retain employment, and (3) helping participants to obtain employment with sufficiently high earnings to move out of welfare.

Under TANF work participation provisions, California was required to have 25 percent of its entire CalWORKs caseload engaged in work and work-related activities in 1997. The State is also required to increase by 5 percent annually the proportion of its caseload participating in work and work-related activities until it meets a 50 percent work participation rate by federal fiscal year 2002. In contrast to all families, the work participation standard for two-parent families is substantially higher, rising to 90 percent by federal fiscal year 1999.

On April 1, 1998, DPSS began requiring that all applicants for CalWORKs who are subject to work requirements enroll in GAIN in order to meet California welfare reform legislation mandates. This requires that adult recipients in families receiving CalWORKs assistance be engaged in work or work-related activities, such as full or part-time employment, job preparation and training. In addition, recipients who were approved for CalWORKs assistance prior to April 1, 1998, are being enrolled in GAIN through a phase-in process to be completed by the end of December 1998.

#### **Evaluating CalWORKs**

AB 1542 requires counties to monitor the effects of CalWORKs. On April 14, 1998, the Los Angeles County Board of Supervisors approved as one its monitoring activities the CalWORKs Performance Monitoring and Evaluation Plan prepared by DPSS to measure the effects of welfare reform in the County. The plan identified three areas of evaluation research: (1) to evaluate the success of the welfare-to-work program by tracking participant involvement in employment and employment-related activities, (2) to evaluate the effectiveness of CalWORKs-related programs by identifying best operational practices and needed improvements, and (3) to evaluate the effects of CalWORKs on family well-being and local communities. The evaluation and policy objectives of the Board-approved DPSS plan were to provide quantitative and qualitative information to assess the CalWORKs program in the County and assist in the development of future welfare policy.

The Board-approved CalWORKs Performance Monitoring and Evaluation Plan instructed

public agencies, non-profit service providers, the business sector, and community organizations.

<sup>&</sup>lt;sup>12</sup> Federal welfare reform legislation grants states broad discretion over program design while requiring states to comply with performance standards for work participation to avoid financial penalties.

the Urban Research Division (URD) of the Chief Administrative Office to develop a detailed work plan to implement an evaluation that meets the monitoring goals of the Welfare-to-Work Act of 1997 (AB 1542). This plan was submitted to the Board of Supervisors on October 13, 1998. The work plan identified three primary products of the evaluation: (1) semi-annual reports on welfare-to-employment activities, (2) semi-annual reports to monitor operational practices and needed improvements, and (3) annual reports on the impact of CalWORKs on family well-being and local communities. This is the first semi-annual report on the movement of participants from welfare to employment.

Several points should be kept in mind while interpreting the program outcomes to date:

Reforms are still being implemented. This initial report is based on administrative data from April through August 1998 and is thus limited to 5 months of activity. Many of the components of the state-mandated welfare-to-work program, such as supportive services for child care, transportation, mental health, substance abuse and domestic violence are only partly in place. In addition, due to finite resources, Los Angeles County has not yet been able to process all of the participants who are required by law to participate in welfare-to-work activities. As of August 1998, out of an estimated 144,000 CalWORKs

cases subject to welfare-to-work requirements, 41,000 remain to be processed.<sup>13</sup> This is a program in transition.

People have participated in several different versions of GAIN since 1988. We think it is necessary to evaluate the experiences of new entries separate from the experiences of reentering participants.

Changes in the labor market are affecting success of participants in finding jobs, keeping jobs and improving their earnings. The outcomes of GAIN participants over time need to be seen in the context of unemployment rates and economic trends.

Los Angeles has been changing rapidly over the past two decades. The characteristics of GAIN participants in terms of national origins, education and work experience will vary over time. People with different backgrounds have contrasting needs and strengths and these will affect program outcomes.

One of the goals of the CalWORKs legislation is reducing the number and proportion of children in poverty. A substantial proportion of the County's children in poverty have parents who are not eligible for the GAIN program or choose not to participate in it. Just a bit more than half of the children in poverty are in families receiving CalWORKs assistance (see Chart 6, p. 17). Locally, lack of citizenship is a larger barrier than in most counties. Thirty-five percent of the mothers in poverty with children under age 6 are not citizens, and many legal immigrants have concerns that receiving public assistance may impede their ability to obtain citizenship. These obstacles to CalWORKs participation weakens the ability of the program to achieve one of its primary goals.

# **Findings**

#### GAIN Activities April 1998 to August 1998

From April 1998 through August 1998, 82,000 CalWORKs recipients were referred to GAIN for orientation and appraisal. Of these, 14,000 failed to appear. Among the 68,000 who participated in GAIN, approximately:

<sup>&</sup>lt;sup>13</sup> In many CalWORKs cases only children are aided, often because the adults in the household are ineligible for aid (e.g., they are undocumented immigrants). Where adults are aided, many are exempt from participation in GAIN because of conditions pertaining to them (they are nearing the end of a pregnancy, for example) or because of conditions within the household (e.g., they are needed to care for a severely ill older relative). Some of these adults are granted exempt status without entering GAIN, while others are not ruled exempt before participating in GAIN for some time. Between April and August 1998, there were 17,000 participants who were granted exemptions after entering the GAIN Program.

- Twenty-eight percent entered employment.
- Twenty-five percent were exempted from work requirements because of age, disabilities or the presence of dependent children under the age of 1.
- Twenty-two percent have been recommended for CalWORKs sanctions due to noncompliance with GAIN requirements.
- Fourteen percent were actually sanctioned.
- Twenty percent had their entire case terminated from CalWORKs cash assistance.

The totals exceed 100% because the categories are not exclusive. In August, for example, of the 3,124 persons who left GAIN, 825 left because employment increased their income above the need level. The numbers are approximate in terms of persons because some of the case activities are occurring to participants who were in the program prior to April and some participants repeat an action such as referral or employment.

## The April 1998 Cohort

Measurements taken at a single point in time, such as the number of people placed in jobs in a month, do not give a sufficient picture of the experiences of welfare-to-work participants. In order to increase the depth of our analysis, we have identified a new cohort of participants to follow over time. Starting with "fresh" entries to GAIN in April 1998,<sup>14</sup> we tracked their participation through August.

There were 5,469 participants in this April cohort (see Table 2, p. 19). Of this group:

- Seventy-one percent were female and 29% were male.
- The racial/ethnic composition was 50% Hispanic, 24% Non-Hispanic White, 17% Non-Hispanic Black, and 9% Asian/Pacific Islander.
- Primary languages spoken by persons in the cohort were: 70% English, 19%
   Spanish, 6% Armenian, 3% Vietnamese, and 2% Other.
- Twenty-eight percent of the participants had completed no more than 8 years of

 $<sup>^{14}</sup>$  These are participants who had never before been registered in GAIN or had not been registered in GAIN during the preceding six months.

- school; 30% completed between 9 and 11 years; 33% were high school graduates; and 9% had continued beyond high school.<sup>15</sup>
- Of the 5,469 persons in this April cohort, 3,119 (57%) were no longer participants by the end of August (see Chart 5, p. 16 and Table 2, p. 19). Of the 3,119 leaving GAIN, 873 (28%) had also left CalWORKs,<sup>16</sup> and 2,246 (72%) were in families still receiving CalWORKs cash assistance.
- Of the 2,246 who were in families still receiving CalWORKs cash assistance, 957 (43%) were in families that also had earned income, 909 (41%) were exempt from work requirements, 17 and 559 (25%) were sanctioned. (The sum of these percentages exceeds 100% because persons may be in more than one of the above categories; for example, some may be exempt and also have earned income.)
- Among GAIN's goals are to move participants into employment, and increase employment among participants to the state-mandated level of 32 hours per week for single parents and 35 hours per week combined for two-parent households. Of the 2,350 participants still in the program at the end of August, 1998, 51% were meeting these goals.
- From April through August 1998, the average monthly earnings of employed members of the April cohort rose from \$748 to \$932. This increase was partly from higher wages (median hourly wages rose from \$5.00 to \$5.75) and partly from more hours being worked per month (median hours worked per week rose from 32 to 35, see Table 3, p. 20). One factor in the rise in wages was the March 1998 increase in the California minimum wage from \$5.00 to \$5.75. When we confine our analysis to persons already employed at \$5.75 or above in April, there is still a slight increase in wages from a median of \$6.35 to \$6.50.

 $<sup>^{15}</sup>$  Educational attainment is only available for cases that have been appraised.

<sup>&</sup>lt;sup>16</sup> Unfortunately, we have no more details about those who have left CalWORKs. Once a person has left CalWORKs, DPSS no longer collects information about them. We are initiating surveys to study persons who have left CalWORKs.

<sup>&</sup>lt;sup>17</sup> Most adults who are aided through CalWORKs and who are not employed for the required number of hours must participate in GAIN. Many adults, however, are exempted from GAIN/employment requirements for a variety of reasons. Single mothers of children under six months old, for instance, are exempt, as are parents over age 60. See Table 4, p. 21.

#### **Discussion**

The early experiences of CalWORKs in Los Angeles County are similar to what is occurring throughout the state and nation as the states implement their various versions of welfare-to-work as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Some of these states have had their new programs in place for two years, and provide a longer history to evaluate. Generally, welfare enrollments were dropping before reforms took place because of an improved economy, and the reforms accelerated this trend. A substantial proportion of the people leaving welfare, however, are not employed; and there are concerns about the wages and long term employment prospects of those who are working. Furthermore, there is nationwide concern that participants are having difficulty acquiring support services to cope with obstacles such as child care, transportation, job training, domestic violence, substance abuse and mental illness.

#### **Future Plans**

This brief preliminary report raises as many questions as it answers. In future reports, we plan to explore earnings history and what happens to participants once they are off CalWORKs. In particular, the California Department of Social Services will be providing us with wage and employment data collected by the California Employment Development Department (EDD). These data will complement the data collected by the Department of Public Social Services by providing complete earnings and employment information on past and present CalWORKs participants for the foreseeable future.

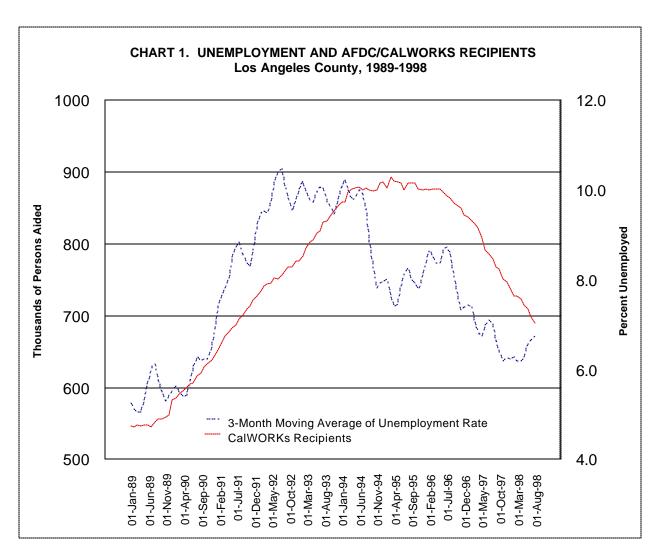
Assisted by these additional data sources, we will be able to make a more complete evaluation of welfare to work activities. For example, it will aid us in looking for changes in the labor market experiences of the CalWORKs population after they move off welfare. It will also help us explain the relative ability of former participants to avoid requiring public assistance in the future.

The greatest difficulty in evaluating CalWORKs is finding out what happens to participants who drop out of the administrative records. We do not know if these people have found jobs. We do not know if they are out of poverty. The data we will receive from EDD will help fill this gap in our knowledge.

Our concurrent efforts to evaluate other aspects of CalWORKs implementation in Los Angeles County will also help fill in gaps in our understanding of welfare-to-work activities, suggesting both new questions and alternative answers. Our other primary evaluation activities are: "operational practices and needed improvements"; and "impacts on

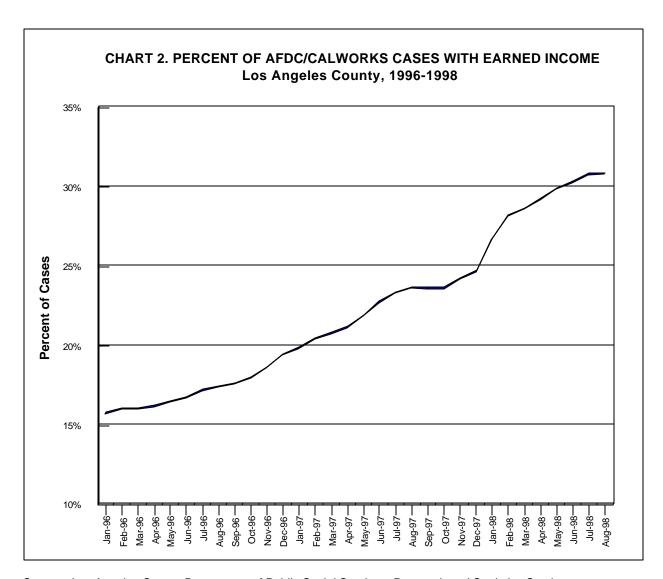
participants, their families, and communities." The schedule for reports on these areas is as follows:

- 1. In the first quarter of 1999 We will report on the operational practices of CalWORKs offices based on surveys of CalWORKs participants, line staff, and managers. Later reports will include the results of focus groups and our ongoing surveys at all CalWORKs and GAIN offices.
- 2. In the second quarter of 1999 We will report on impacts of welfare reform on participant families and their communities. Using multiple social survey data sources, including data from a number of governmental agencies, we will discuss a broad array of family and community indicators.
- 3. In the third quarter of 1999 We will produce the follow-up to this report, incorporating data from EDD and other sources as discussed above. We also have tentative plans for a survey of participants who have left CalWORKs, allowing us to delve more deeply into their experiences than the EDD data allow.

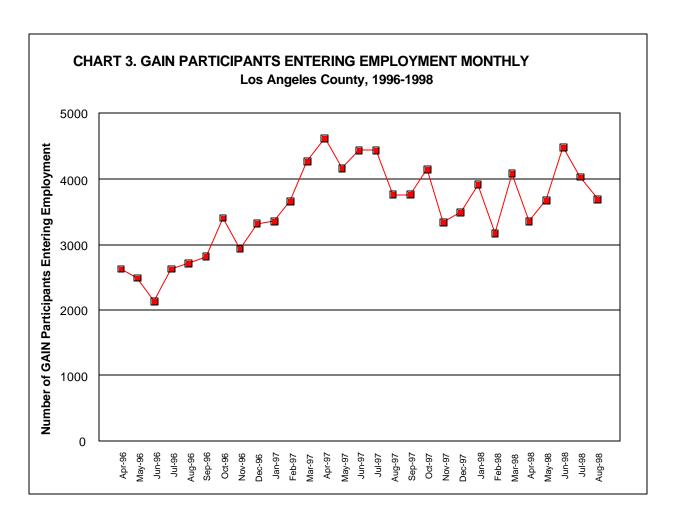


Sources: Los Angeles County Department of Public Social Services Statistical Reports; Bureau of Labor Statistics local area unemployment statistics, www.bls.gov.

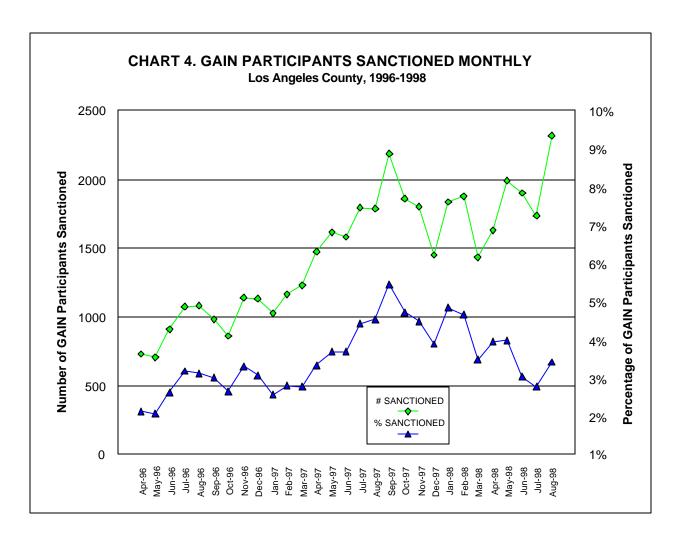
Note: Unemployment statistics are not seasonally adjusted.



Source: Los Angeles County Department of Public Social Services, Research and Statistics Section.

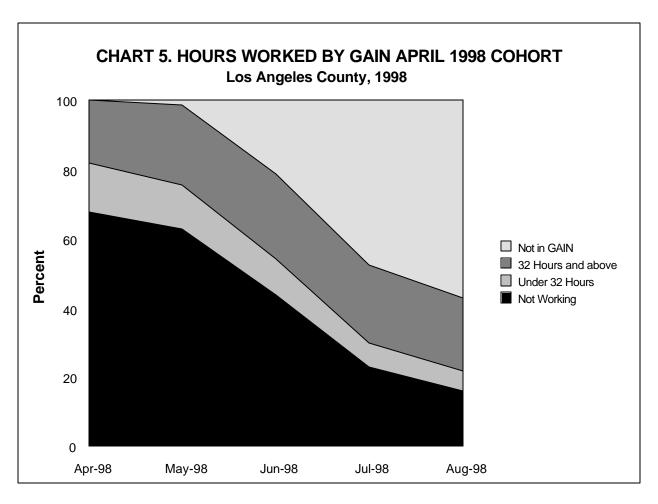


Source: Los Angeles County Department of Public Social Services, GAIN Activity Reports.



Source: Los Angeles County Department of Public Social Services, GAIN Activity Reports.

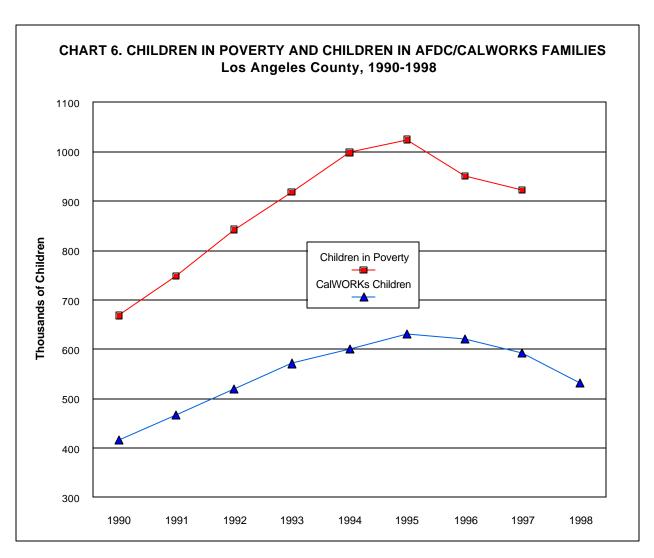
Note: Imposition of a sanction results in the elimination of the adult share of CalWORKs cash aid; the child portion of the aid is unaffected by the sanction.



Source: Los Angeles County Department of Public Social Services, GEARS tapes, April-August 1998.

Notes: GEARS is the GAIN Employment Activity and Reporting System, a computer database maintained by DPSS for tracking GAIN participants.

The "April Cohort" are participants entering GAIN in April who have never before been registered in GAIN or have not been registered in GAIN during the preceding six months.



Sources: Los Angeles County Department of Public Social Services, Statistical Reports; Bureau of the Census Current Population Survey, March Demographic Supplement, 1990-1998.

Note: Children in poverty is a two year moving average. Counts of AFDC/CalWORKs children for 1991, 1992 and 1994 were calculated by straight line interpolation.

Table 1. GAIN Participants Entering Employment, Los Angeles County, 1996-1998

	1996	1997	1998
January	2,318	3,359	3,905
February	2,127	3,653	3,167
March	2,388	4,268	4,082
April	2,627	4,622	3,361
May	2,487	4,172	3,677
June	2,138	4,441	4,480
July	2,630	4,438	4,020
August	2,703	3,762	3,690
September	2,809	3,760	
October	3,408	4,155	
November	2,926	3,333	
December	3,311	3,481	

Source: Department of Public Social Services (DPSS) internal tabulations.

Notes: Each cell represents the number of registered GAIN participants who entered a new job during

the month; participants may have been employed elsewhere when securing this job, and each job

transition for a given participant will be included in the total count.

Table 2. Characteristics of Remaining GAIN Participants, April 1998 Cohort, Los Angeles County, April-August 1998

	April	Мау	June	July	August
Sex % <sup>a</sup>					
Female	71.1	71.1	70.7	71.0	71.0
Male	28.9	28.9	29.4	29.0	29.0
Age %					
0-17	2.2	2.2	1.7	1.9	1.5
18-24	27.0	26.9	24.4	20.3	18.3
25-34	29.3	29.4	30.9	30.0	30.5
35-44	28.4	28.4	30.0	32.9	33.9
45+	13.1	13.1	13.1	14.9	15.8
Average Age	32.2	32.2	32.7	33.7	34.3
Median Age	32.0	32.0	32.0	34.0	34.0
Race/Ethnicity %					
White, Non-Hisp.	24.4	24.0	23.2	23.0	22.3
Hispanic	49.6	49.9	49.0	47.7	47.5
Black, Non-Hisp.	17.2	17.2	18.6	18.9	19.5
Asian/Pac. Islander	8.5	8.6	8.9	10.1	10.4
Other/Unknown	0.3	0.3	0.3	0.3	0.3
Primary Language %					
English	70.2	70.5	71.2	70.3	68.7
Spanish	19.3	19.3	19.2	18.9	19.8
Other	10.5	10.2	9.5	10.8	11.5
Participants <sup>b</sup>	5,469	5,401	4,300	2,868	2,350

Source: DPSS GEARS tapes, April-August, 1998. GEARS is the GAIN Employment Activity and Reporting System, a database maintained by DPSS for tracking GAIN participants.

Notes: The target subpopulation consists of all participants registering in GAIN during April 1998 who had not participated in GAIN for at least six months.

<sup>&</sup>lt;sup>a</sup> Each cell represents a percentage of the participants for that month.

<sup>&</sup>lt;sup>b</sup> Number of participants remaining of the original 5,469 who registered with GAIN in April.

Table 3. Employment Characteristics of April 1998 Cohort GAIN Participants, Los Angeles County, April-August 1998

	April	May	June	July	August
Earned Income This Month					
% of All Active Participants <sup>a</sup>	31.8	36.3	43.9	55.2	61.6
Hours Worked per Week					
Average Hours	31.4	32.1	32.8	33.2	33.6
Median Hours	32.0	33.0	35.0	35.0	35.0
Hourly Wage					
Average Wage	\$5.53	\$5.93	\$6.15	\$6.26	\$6.29
Median Wage	\$5.00	\$5.75	\$5.75	\$5.75	\$5.75
Monthly Earnings (Est.)					
Average Earnings	\$748	\$824	\$847	\$912	\$932
Median Earnings	\$706	\$805	\$857	\$891	\$891
New Jobs					
# of Participants in New Jobs <sup>b</sup>	18	201	172	71	52
As % of Employed	1.0	10.2	9.1	4.5	3.6
Employed Participants <sup>c</sup>	1752	1973	1893	1587	1450

Source: DPSS GEARS tapes, April-August, 1998. GEARS is the GAIN Employment Activity and Reporting System, a database maintained by DPSS for tracking GAIN participants.

Notes: The target subpopulation consists of all participants registering in GAIN during April 1998 who had not participated in GAIN for at least six months.

<sup>&</sup>lt;sup>a</sup> In this row, each cell represents a percentage of the total participants for that month. All other cells, except where indicated, are percentages of all employed participants only.

<sup>&</sup>lt;sup>b</sup>This includes previously employed persons changing jobs and previously unemployed persons entering employment.

<sup>&</sup>lt;sup>c</sup> Number of employed participants remaining of the original 1,752 (5,469 total including those who were not employed) that registered with GAIN in April.

Table 4. Participation Characteristics of GAIN April 1998 Cohort, Los Angeles County, April-August 1998

	April	May	June	July	August
Registered in Gain <sup>a</sup>					
at Least Part of Month	100.0	98.7	78.6	52.4	42.8
on Last Day of Month	98.7	81.2	53.0	44.0	37.4
Participants	5,469	5,401	4,300	2,868	2,350
GAIN and Cash Aid <sup>b</sup>					
Registered in GAIN					
GAIN - No Cash Aid	0.6	2.8	3.5	2.3	1.8
GAIN - AFDC/FG	56.8	54.9	42.6	29.4	24.5
GAIN - AFDC/U	42.6	41.1	32.5	20.7	16.7
No Longer in GAIN					
Left GAINStill on CalW Cash Aid	0.0				41.0
Left GAINNot on CalW Cash Aid	0.0	_	_		16.0
GAIN Exemptions Granted <sup>c</sup>					
Too Young/In School	26.4	9.0	26.0	18.3	12.1
Too Old/Unrelated Guardian	0.7	1.2	1.4	1.0	0.0
Incapacity	25.0	52.7	31.5	47.1	48.5
Caretaker for Invalid	5.4	14.2	9.9	8.7	18.2
Pregnant/Has Young Child	42.6	22.9	31.2	25.0	21.2
Participants Exempted	148	332	292	104	33

Source: DPSS GEARS tapes, April-August, 1998. GEARS is the GAIN Employment Activity and Reporting System, a database maintained by DPSS for tracking GAIN participants.

Notes: The target subpopulation consists of all participants registering in GAIN during April 1998 who had not participated in GAIN for at least six months.

<sup>&</sup>lt;sup>a</sup> Cells are percent of GAIN participants who were registered at some point during the month.

<sup>&</sup>lt;sup>b</sup> Cells are percent of total April cohort. AFDC/FG and AFDC/U are obsolete labels for two segments of what is now the CalWORKs/TANF population: the former consists mainly of single parent families, and the latter is primarily two-parent families suffering from unemployment. Note that as the families of participants who leave GAIN may still qualify for aid even though the participant has successfully moved into employment or been sanctioned for non-compliance. Aid status of those who have left GAIN is currently unavailable for April-July 1998.

<sup>&</sup>lt;sup>c</sup> Cells represent percent of all exemptions granted for the month. To become exempt is to be excused from mandatory participation in GAIN. This excludes those who were declared exempt prior to GAIN referral.

# Appendix A

# **CalWORKs Evaluation Advisory Committee Members**

Dr. Rosina M. Becerra, Department of Social Welfare, University of California, Los Angeles

Brian Kennedy, Claremont Institute, Sacramento, California

Dr. Jacquelyn McCroskey, School of Social Work, University of Southern California

Beth Ostheimer, San Fernando Valley Neighborhood Legal Aid Foundation

Dr. Harry Pachon, The Tomas Rivera Policy Institute, Claremont, California

Dr. Leonard Schneiderman, DPSS Commission